

Message Text

UNCLASSIFIED

PAGE 01 ROME 03138 01 OF 02 180617Z
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 CIAE-00 INR-10 LAB-04
NSAE-00 PA-02 SIL-01 USIA-15 /053 W
-----088499 180635Z /23

R 171616Z FEB 78
FM AMEMBASSY ROME
TO SECSTATE WASHDC 0704
USDOC WASHDC
INFO AMCONSUL FLORENCE
AMCONSUL GENOA
AMCONSUL MILAN
AMCONSUL NAPLES
AMCONSUL PALERMO
AMCONSUL TRIESTE
AMCONSUL TURIN
U.S.TRADE CENTER MILAN

UNCLAS SECTION 1 OF 2 ROME 3138

E.O. 11652: N/A
TAGS: BEXP IT
SUBJ: COUNTRY COMMERCIAL PROGRAM (CCP); PRELIMINARY FY-1980 INPUT

REF: STATE 002688(NOTAL)

1. FOLLOWING ARE PRELIMINARY RECOMMENDED CCP CAMPAIGNS AND
OTHER SPECIAL POST EFFORTS FOR FY 1980. CAMPAIGNS ARE IN ORDER
OF PRIORITY : 'OTHER SPECIAL EFFORTS' ARE NOT RANKED. NOTE TO
CONSTITUTENT POSTS: FY80 RECOMMENDATIONS, AS WELL AS DETAILS
OF FY 1979 CCP, WILL BE DISCUSSED AT UPCOMING ITALY COMMERCIAL
OFFICER'S CONFERENCE SET FOR MARCH 13 IN FLORENCE.
ADDITIONAL INSTRUCTIONS WILL FOLLOW.

2."COMMUNICATIONS EQUIPMENT AND SYSTEMS".(CAMPAIGN NO 1).
A SUBSTANTIAL OPPORTUNITY EXISTS FOR ADVANCED U.S.EQUIPMENT
AND TECHNOLOGY IN THE TELECOMMUNICATIONS INDUSTRY, BOTH FOR
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ROME 03138 01 OF 02 180617Z

PROJECTED INTERNAL EXPANSION AND MODERNIZATION PROGRAMS AND IN
JOINT VENTURE OR OTHER COOPERATIVE FRAME-WORK VIS-A-VIS ITALIAN
PROJECTS IN THE MIDDLE EAST AND NORTH AFRICA. IMPORTS FOR THE DOMESTIC
SECTOR ALONE ARE ESTIMATED AT DLR 375 MILLION FOR 1980.
PROMOTION OF US STATE-OF-THE-ART SUPERIORITY WILL BE PARTICULARLY
PRODUCTIVE GIVEN THE STEADY EROSION IN RECENT YEARS OF ITALIAN
RESEARCH AND DEVELOPMENT ACTIVITY IN THIS AND RELATED FIELDS.

3." COMPUTERS AND PERIPHERALS ".(NO.2). ELECTRONIC DATA PROCESSING IS AND WILL CONTINUED TO BE NOT ONLY AMONG THE FASTEST GROWING AREAS BUT THE ONE MOST LIKELY TO PROVIDE A SPIN-OFF EFFECT TO A NUMBER OF OTHER INDUSTRIAL SECTORS AS A RESULT OF ACTIVE USG PROMOTION. THE CURRENT US LEAD DIRECTLY EFFECTS ELECTRONICS, INDUSTRIAL PROCESS CONTROLS, COMMUNICATIONS, AND OTHERS. ITALY REMAINS SOMEWHAT BEHIND ITS EC PARTNERS IN CPINPUTERIZATION AND WILL INEVITABLY LOOK TO THE WORLD LEADER FOR ITS NEEDS; OUR GOAL IS TO KEEP THE U.S.NO. 1 IN ITALIAN MINDS. PROJECTED 1980 IMPORTS TOP DLR 600 MILLION.

4." ELECTRONICS " (NO.3). PARALLEL TO THE ITALIAN COMPUTER BOOM IS THE CONTINUING REQUIREMENT FOR HIGHTECHNOLOGY PRODUCTS AND SYSTEMS FOR THE ELECTRONICS INDUSTRY, INCLUDING COMPONENTS AND PRODUCTION AND TEST EQUIPMENT. BEYOND A SUSBSTANTIAL DIRECT SALES OPPORTUNITY, ITALY HAS A SIGNIFICANT NUMBER OF MANUFACTURING FIRMS, IN BOTH PUBLIC AND PRIVATE SECTORS, WHICH REGULARLY SEEK ADVANCED TECHNOLOGY THROUGH LICENSING AND JOINT VENTURES. THIS IS THEKIND OF SITUATION WHICH REQUIRES PERIODIC USG PROMOTION. IMPORTS FOR 1980 SHOULD REACH NEARLY DLR 300 MILLION.

5"FOREIGN VISITORS" "BUYERS PROGRAM" (NO.4). THE COORDINATED FOREIGN BUYER PROGRAM AND THE VISIT USA COMMITTEE TOGETHER PROVIDE PERHAPS OUR MOST EFFECTIVE INSTITUTIONAL TOOL FOR ATTRACTING PROFITABLE VISITORS TO THE U.S., EITHER AS TOURISTS OR AS POTENTIAL UNCLASSIFIED

UNCLASSIFIED

PAGE 03 ROME 03138 01 OF 02 180617Z

BUYERS. THE EMBASSY AND CONSULATES ACT AS IMPORTANT CATALYSTS TO THE EFFORTS OF THE AIRLINES, AGENCIES AND OTHER ASSOCIATIONS. TRAVEL CAMPAIGN GOALS INCLUDE FURTHER EXPANSION OF SPECIALIZED CHARTER AND STUDY TRIPS LINKED TO US TRADE SHOWS, INCREASED USE OF US DESTINATIONS FOR COMPANY TRAVEL INCENTIVE PROGRAMS, AND MORE EFFECTIVE DISSEMINATION OF INFORMATION ON US BUSINESS AND PLEASURE TRAVEL TO THE PUBLIC AND TO THE TRAVEL TRADE.

6" PROCESS CONTROLS "(NO.5). INDUSTRIAL PROCESS CONTROLS AND INSTRUMENTATION REPRESENTS A RAPIDLY GROWING SECTOR OPPORTUNITY. RISING LABOR COSTS, GOVERNMENT INCENTIVES TOWARD THE MODERNIZATION FO INDUSTRIES, AND INTENSE PRIVATE SECTOR CONCERN FORITALY'S FRAGILE COMPETITIVE POSITION WITHIN THE EC ALL SUPPORT THIS MARKET. ONCE AGAIN, THIS FIELD IS CLOSELY RELATED TO DATA PROCESSING AND ELECTRONICS AND 'STATE-OF-THE ART' PROMOTION TIED TO THE OVERALL EFFICIENCY OF US INDUSTRY AND SYSTEMS CAN HAVE A DEFINITE INCREMENTAL EFFECT ON SALES.

7."GRAPHIC ARTS EQUIPMENT" (NO.6). TO COMPENSATE FOR CONTINUOUS INCREASES IN LABOR COSTS AND TO SATISFY THE STEADY GROWTH IN THE MARKET FOR PRINTED MATTER,THE ITALIAN PRINTING INDUSTRY IS LOOKING

FOR ADVANCED EQUIPMENT AND SYSTEMS. THE 1980 ITALIAN MARKET IS
ESTIMATED AT OVER DLR 300 MILLION.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 ROME 03138 02 OF 02 180619Z
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 CIAE-00 INR-10 LAB-04
NSAE-00 PA-02 SIL-01 USIA-15 /053 W
-----088666 180629Z /23

R 171616Z FEB 78
FM AMEMBASSY ROME
TO SECSTATE WASHDC 0705
USDOC WASHDC
INFO AMCONSUL FLORENCE
AMCONSUL GENOA
AMCONSUL MILAN
AMCONSUL NAPLES
RUFHOMAMCONSUL PALERMO 2073
AMCONSUL TRIESTE
AMCONSUL TURIN
U.S.TRADE CENTER MILAN

UNCLAS SECTION 2 OF 2 ROME 3138

.....MILLION.

8. "POLLUTION CONTROL EQUIPMENT "(NO.7). ITALIAN GOVERNMENT
ENFORCEMENT OF ANTI-POLLUTION LAWS AND REGULATIONS HAS INTENSIFIED,
PARTLY AS A RESULT OF AN UNFORTUNATE SERIES OF INDUSTRIAL ACCIDENTS.
MAJOR INDUSTRIES, BOTH PUBLIC AND PRIVATE, HAVE EARMARKED SUBSTANTIAL
FUNDS FOR AIR AND WATER PURIFICATION AND POLLUTION CONTROL
EQUIPMENT. WE ARE IN A GOOD POSITION TO PROMOTE U.S.
PRODUCTS IN THIS FIELD, GIVEN OUR TECHNOLOGICAL LEAD AND EXTENSIVE
EXPERIENCE WITH GOVERNMENT MANDATED POLLUTION CONTROL. TOTAL
MARKET IN ITALY DURING 1980 MAY REACH DLR 450 MILLION(ALTHOUGH
IT IS DIFFICULT TO PREDICT PRECISELY WHEN PUBLIC SECTOR FUNDS
WILL BECOME AVAILABLE).

9" HEALTH CARE EQUIPMENT ".(ALTERNATE CAMPAIGN NO. 1) THE
NEED FOR EXTENSIVE MODERNIZATION OF ITALY'S HEALTH SYSTEM HAS
BEEN OFFICIALLY RECOGNIZED; THE GOVERNMENT'S DEVELOPING HEALTH REFORM
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ROME 03138 02 OF 02 180619Z

LAWS CALL FOR SIGNIFICANT EXPENDITURES. EVEN MORE THAN WITH POLLUTION CONTROL EQUIPMENT, HOWEVER, THE EXACT TIMING OF PURCHASES CANNOT BE FIXED. THIS UNCERTAINTY, AND THE FACT THAT THE GOVERNMENT ITSELF IS OVERWHELMINGLY THE BUYER, GIVE US A SPECIAL TRADE PROMOTION RESPONSIBILITY IN ASSISTING U.S. FIRMS IN THE HEALTH EQUIPMENT FIELD.

10. "CONSUMER GOODS". (ALTERNATE CAMPAIGN NO. 2) SELECTED U.S. CONSUMER PRODUCTS WILL CONTINUE TO ATTRACT QUALITY-CONSCIOUS ITALIAN BUYERS. CASUAL CLOTHING, HI-FI EQUIPMENT, HIGH-TECHNOLOGY CONSUMER ELECTRONICS AND CERTAIN SPORTING GOODS CAN BE VERY EFFECTIVELY PROMOTED

BY US, AS LONG AS OUR EFFORTS ARE KEYED TO THE TRULY INNOVATIVE AND TRADE CENTER SHOWS ARE SPACED FAR ENOUGH APART TO AVOID SEEMING COMMONPLACE. CONSUMER GOODS WERE DROPPED AS A CAMPAIGN IN FY 1978 AND PICKED UP AGAIN IN FY 1979. THE DECISION ON WHETHER OR NOT TO KEEP IT GOING FOR ANOTHER YEAR WILL BE BASED ON OUR JUDGEMENT OF HOW EFFECTIVE A TWO-YEAR CYCLE OF PROMOTION WOULD BE.

11. "ADVANCED MACHINE TOOLS" (ALTERNATE CAMPAIGN NO. 3) CONSIDERATION SHOULD BE GIVEN TO A MACHINE TOOL CAMPAIGN, TIED DIRECTLY TO THE OCTOBER 10-18, 1979, 'EMO' WORLD-WIDE MACHINE TOOL SHOW AT THE MILAN FAIR. ALTHOUGH PROSPECTS FOR U.S. SOURCE EQUIPMENT ARE LIMITED AT THE MOMENT, POSSIBLE CHANGES IN THE INVESTMENT/MODERNIZATION SITUATION COULD PROVIDE AN OPPORTUNITY FOR PROMOTION BY FY 1980. EMO WOULD BE AN IDEAL PLATFORM FROM WHICH TO LAUNCH SUCH A CAMPAIGN.

12. OTHER SPECIAL POST EFFORTS:

COMPANY PROBLEMS (INVESTMENT PROTECTION)". U.S. SUBSIDIARIES IN ITALY WILL CONTINUE TO HAVE PROBLEMS WITH REDUCTION IN WORK
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 ROME 03138 02 OF 02 180619Z

FORCE, SHUTDOWNS, AND IN SOME CASES LIQUIDATION AND TRANSFER OF ASSETS. THE MISSION WILL HAVE TO DEVOTE SUBSTANTIAL TIME TO FOLLOWING WITH HOST GOVERNMENTS AT LOCAL, REGIONAL AND NATIONAL LEVELS. (AS WITH MAJOR PROJECTS IT IS IMPOSSIBLE TO PREDICT THE AMOUNT OF EFFORT THIS ACTIVITY WILL INVOLVE, GIVEN THE NUMBER OF VARIABLES. HENCE OUR RELUCTANCE TO ASSIGN PRIORITY RANKINGS.

13. "MAJOR PROJECTS". A LARGE NUMBER OF PROJECTS MOSTLY INVOLVING GOVERNMENTAL RESOURCES, ARE IN VARIOUS STAGES OF PLANNING. THESE INCLUDE THE VERY IMPORTANT NUCLEAR PLANT CONSTRUCTION PLAN, STEEL INDUSTRY MODERNIZATION, SUBWAY AND RAILROAD CONSTRUCTION, THE BAY OF NAPLES DECONTAMINATION, POST-EARTHQUAKE RECONSTRUCTION IN THE

FRIULI REGION, AND A NUER OF TURNKEY PROJECTS MANAGED BY ITALIAN FIRMS IN AFRICA ND THE NEAR EAST. OUR TASK IS BOTH MONITORING THE MANY POTENTIAL PROJECTS AND ASSISTING U.S. FIRMS WHICH CAN OFFER HIGH-TECHNOLOGY EQUIPMENT AND SYSTEMS TO COMPLEMENT THE ITALIAN EFFORT.

14." ITALY/U.S.TRADE DAYS"" AN EXPANSION OF THE NOW-BEING FORMULATED PROGRAM OF RGULAR PRESENTATIONS OF U.S.COMMERCIAL SERVICES AND OPPORTUNITIES TO INVITED BUSINESSMEN IN ITALIAN TOWNS OTHER THAN ROME AND THE CONSULATE CITIES. A JOINT EFFORT OF EMBASSY, CONSULATE, AMERICAN CHAMBER OF COMMERCE, AND CERTAIN ITLAIN PUBLIC AND PRIVATE AGENCIES. TARGET FORFY 1980 WILL BE FOUR EVENTS TO BE HELD IN CITIES WHERE THERE ARE NO CONSULAR POSTS.GARDNER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 17 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978ROME03138
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780075-0573
Format: TEL
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780240/aaaabick.tel
Line Count: 238
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: cfe7a2d4-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 STATE 2688
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 18 feb 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3559528
Secure: OPEN
Status: NATIVE
Subject: COUNTRY COMMERCIAL PROGRAM (CCP): PRELIMINARY FY-1980 INPUT
TAGS: BEXP, IT
To: STATE COM
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/cfe7a2d4-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014